

**DUKE ENERGY CAROLINAS, LLC**  
**Docket NO. 2018-319-E**  
**COST OF SERVICE STUDY**  
**For the test year ending December 31, 2017**  
**(DOLLARS IN THOUSANDS)**  
**SC RETAIL COST OF SERVICE - PROPOSED - 1CP**

Line No.	Rate Class	Annualized Rate Base (A)	Present Rates Revenues Excluding DSM/EE/DERP (B)	Present Net Operating Income (C)	Present ROR (D)=(C)/(A)	Gross Revenues At Average ROR (E)	Variance From The Average (F)=(B)-(E)	25.0% Reduction in The Average (G)=-(F)*25%	Proposed Rate Increase Before Reduction in Variance (H)	Proposed Rate Increase After Reduction in Variance (I)=(H)+(G)	Present Rates Revenues Including DSM/EE/DERP (J)	Proposed Percent Increase (K)=(I)/(J)	ROR At Proposed Rates (L)	EDIT Rider (M)	Proposed Rate Increase Incl. EDIT Rider After Reduction in Variance (N)=(I)+(M)	Proposed Percent Increase Incl. Riders (O)=(N)/(J)
1	Rate RS	\$ 2,468,710	\$ 648,007	\$ 122,156	4.95%	\$ 672,202	\$ (24,196)	\$ 6,049	\$ 48,476	\$ 54,524	\$ 699,081	7.80%	6.61%	\$ (28,507)	\$ 26,017	3.7%
2	Rate RS_1	1,402,875	363,634	69,512	4.95%	377,256	(13,622)	3,405	27,547	30,952	390,746	7.92%	6.62%	(16,118)	14,834	3.8%
3	Rate RT	2,242	582	93	4.14%	628	(46)	12	44	56	635	8.76%	6.00%	(25)	30	4.7%
4	Rate RE_1	1,063,593	283,790	52,551	4.94%	294,318	(10,527)	2,632	20,885	23,517	307,700	7.64%	6.61%	(12,364)	11,153	3.6%
5	Rate GS	769,656	231,896	56,317	7.32%	215,145	16,752	(4,188)	15,113	10,925	272,757	4.01%	8.39%	(8,616)	2,309	0.8%
6	Rate SGS	472,223	137,758	33,074	7.00%	129,452	8,306	(2,077)	9,273	7,196	161,221	4.46%	8.16%	(5,312)	1,884	1.2%
7	Rate LGS	297,433	94,138	23,244	7.81%	85,693	8,446	(2,111)	5,840	3,729	111,536	3.34%	8.76%	(3,304)	425	0.4%
8	Rate LT	191,801	40,117	7,916	4.13%	44,095	(3,978)	994	3,766	4,761	40,154	11.86%	6.00%	(2,534)	2,227	5.5%
9	Rate OL	162,019	32,588	6,225	3.84%	36,563	(3,976)	994	3,181	4,175	32,588	12.81%	5.78%	(2,155)	2,020	6.2%
10	Rate NL	1	1	1	55.95%	0	1	(0)	0	(0)	1	-15.04%	44.92%	(0)	(0)	-16.4%
11	Rate GL	1,930	747	314	16.30%	474	273	(68)	38	(30)	747	-4.06%	15.14%	(24)	(54)	-7.2%
12	Rate PL	25,387	6,420	1,433	5.65%	6,432	(13)	3	498	502	6,420	7.81%	7.14%	(326)	176	2.7%
13	Rate TS	2,465	362	(57)	-2.32%	625	(263)	66	48	114	399	28.62%	1.15%	(29)	86	21.5%
14	Rate I	189,272	57,155	21,117	11.16%	43,351	13,804	(3,451)	3,717	266	66,280	0.40%	11.28%	(2,038)	(1,773)	-2.7%
15	Rate OPT	1,826,224	622,682	102,010	5.59%	625,065	(2,383)	596	35,860	36,455	713,374	5.11%	7.09%	(20,119)	16,336	2.3%
	SCOPT-G	572,765	193,020	38,373	6.70%	185,267	7,753	(1,938)	11,247	9,309	237,312	3.92%	7.93%	(6,333)	2,976	1.3%
	SCOPT-I	1,253,459	429,663	63,637	5.08%	439,798	(10,135)	2,534	24,613	27,147	476,062	5.70%	6.71%	(13,787)	13,360	2.8%
16	TOTAL RETAIL	\$ 5,445,663	\$ 1,599,858	\$ 309,517	5.68%	\$ 1,599,858	\$ -	\$ -	\$ 106,931	\$ 106,931	\$ 1,791,645	5.97%	7.16%	\$ (61,814)	\$ 45,117	2.5%